

# HOUSE BILL No. 1407

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-2-14; IC 9-26; IC 27-1-3-7.

**Synopsis:** Accident investigation fee. Establishes a \$25 fee to be collected after an accident is investigated by a state or local law enforcement agency. Provides for one fee for each vehicle involved in an accident, to be imposed on the vehicle's insurer or on the driver, if self-insured or not insured. Requires collection of the fee by state law enforcement agencies. Provides that the governing body of a municipal corporation may authorize the collection of the fee. Provides for the establishment of: (1) the state law enforcement supplemental account within the state general fund; and (2) a municipal corporation's law enforcement supplemental fund. Establishes procedures for the collection of an accident investigation fee. Provides that fees collected must be used to supplement funds available for the compensation of law enforcement officers employed by the law enforcement agency. Requires the department of insurance to establish procedures to confirm the accuracy of insurance information contained in accident reports.

**Effective:** Upon passage; July 1, 2004.

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## Alderman

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January 20, 2004, read first time and referred to Committee on Judiciary.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1407

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-2-14 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2004]:

4 **Chapter 14. Accident Investigation Fee, Account, and Fund**

5 **Sec. 1. As used in this chapter, "account" refers to the state law**  
6 **enforcement supplemental account established by section 12 of this**  
7 **chapter.**

8 **Sec. 2. As used in this chapter, "department" refers to the**  
9 **department of insurance established by IC 27-1-1-1.**

10 **Sec. 3. As used in this chapter, "fund" refers to a law**  
11 **enforcement supplemental fund established by a governing body**  
12 **under section 13 of this chapter.**

13 **Sec. 4. As used in this chapter, "investigating officer" means a**  
14 **law enforcement officer (as defined in IC 5-2-1-2) with reporting**  
15 **authority under IC 9-26-2-2.**

16 **Sec. 5. As used in this chapter, "law enforcement agency" means**  
17 **a law enforcement agency of the state, a county, a city, a town, or**

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another municipal corporation (as defined in IC 36-1-2-10) that performs motor vehicle accident investigations under IC 9-26-2.

Sec. 6. State law enforcement agencies shall collect motor vehicle accident investigation report fees under section 10 of this chapter.

Sec. 7. The governing body with control over the law enforcement agency of a municipal corporation may authorize the collection of accident investigation report fees under section 10 of this chapter by the law enforcement agency in the manner provided by sections 10, 11, and 13 of this chapter.

Sec. 8. Within twenty-four (24) hours after concluding the investigation of a motor vehicle accident under IC 9-26, an investigating officer employed by a state law enforcement agency or a law enforcement agency authorized under section 7 of this chapter to collect fees shall submit to the department a report on a form prescribed by the department. The report must set forth for each vehicle involved in the accident:

- (1) the vehicle operator's name and address;
- (2) motor vehicle identification information; and
- (3) if a motor vehicle liability policy (as defined in IC 9-13-2-106) was in effect with respect to the vehicle at the time of the accident, the insurer's name and the policy number.

Sec. 9. The department shall:

- (1) process each report submitted under section 8 of this chapter in accordance with procedures established under IC 27-1-3-7(c) to confirm or negate the information set forth in the report as to whether motor vehicle liability insurance was in effect with respect to the motor vehicle at the time of the accident; and
- (2) transmit the results obtained under subdivision (1) to the law enforcement agency on a timely basis.

Sec. 10. (a) For each vehicle involved in each accident about which:

- (1) a law enforcement agency submits a report to the department under section 8 of this chapter; and
- (2) the department transmits results under section 9 of this chapter;

the law enforcement agency shall impose an accident investigation fee of twenty-five dollars (\$25).

(b) A law enforcement agency shall impose a fee under subsection (a) on the following:

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(1) Each insurer that the department confirms as being the provider of motor vehicle liability insurance that was in effect with respect to a vehicle involved in an accident referred to in a report submitted under section 8 of this chapter and in results from the department transmitted under section 9 of this chapter.

(2) Each operator of a motor vehicle involved in an accident referred to in a report submitted under section 8 of this chapter and in results from the department transmitted under section 9 of this chapter, if at the time of the accident the financial responsibility requirements of IC 9-25-4-4 were satisfied with respect to the vehicle through:

(A) the execution of a bond under IC 9-25-4-4(a)(2); or

(B) the status of the owner or operator of the vehicle as a self-insurer under IC 9-25-4-4(a)(3).

(3) Each operator of a motor vehicle involved in an accident referred to in a report submitted under section 8 of this chapter and in results from the department transmitted under section 9 of this chapter who is alleged to have been operating the vehicle in violation of the financial responsibility requirements of IC 9-25-4-4 at the time of the accident.

(c) A law enforcement agency shall impose an accident investigation fee under this section not more than ten (10) days after the end of the month in which the law enforcement agency receives results from the department under section 9 of this chapter concerning the vehicle with respect to which the fee is imposed.

**Sec. 11. Fees collected under this chapter must be:**

(1) deposited in:

(A) the state law enforcement supplemental account within the state general fund, in the case of fees collected by a state law enforcement agency; or

(B) the law enforcement agency's law enforcement supplemental fund, in the case of law enforcement agencies authorized to collect the fee under section 7 of this chapter; and

(2) used by the governing body of the law enforcement agency that collected the fee to supplement funds available for the compensation of law enforcement officers employed by the law enforcement agency.

**Sec. 12. (a)** The state law enforcement supplemental account is established within the state general fund. The account is

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administered by the budget agency.

(b) The account consists of the following:

- (1) Accident report investigation fees collected by state law enforcement agencies under section 10 of this chapter.
- (2) Appropriations made by the general assembly.
- (3) Any other public or private source.

(c) The expenses of administering the account shall be paid from money in the account.

(d) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner that other public money shall be invested.

(e) Interest earned on investments under subsection (d) shall be credited to the account when received.

(f) Fees collected by a state law enforcement agency under this chapter shall be deposited in the account. The budget agency shall annually determine the amount of money in the account collected from each state law enforcement agency and make the amount determined available to each law enforcement agency for use in providing supplemental payments to the enforcement personnel of the agency.

(g) Any money given to state enforcement personnel under this section shall be in addition to money appropriated for the salary and benefits of enforcement personnel and may not be used to replace amounts otherwise appropriated for salary and benefit purposes.

(h) Money in the account at the end of a state fiscal year does not revert to the state general fund.

(i) There is annually appropriated to the budget agency from the state law enforcement supplemental account the money collected by the state law enforcement agencies to carry out the purposes set forth in this section.

**Sec. 13. (a)** A governing body that authorizes the collection of fees under section 7 of this chapter shall establish a law enforcement supplemental fund.

(b) A fund established under this section consists of the following:

- (1) Accident report investigation fees collected under section 10 of this chapter.
- (2) Appropriations made by the governing body.
- (3) Any other public or private source.

(c) The governing body shall administer the fund. Costs of administering the fund shall be paid from money in the fund.

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(d) The governing body may invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Interest earned on investments under subsection (d) shall be credited to the fund when received.

(f) Fees collected by the law enforcement agency under this chapter shall be deposited in the fund. The governing body shall annually determine the amount of money in the fund and make the amount determined available to the law enforcement agency for use in providing supplemental payments to the enforcement personnel of the law enforcement agency.

(g) Any money given to enforcement personnel under this section shall be in addition to money appropriated for the salary and benefits of enforcement personnel and may not be used to replace amounts otherwise appropriated for salary and benefit purposes.

(h) Money in a fund at the end of a state fiscal year does not revert to a general fund.

(i) The governing body shall annually appropriate money from the law enforcement supplemental fund for the purposes set forth in this section.

**Sec. 14.** A law enforcement agency may not collect an accident investigation fee under section 10 of this chapter for an accident investigation report that duplicates a report provided by an investigating officer employed by another law enforcement agency.

**Sec. 15.** If a person on whom an accident investigation fee is imposed under section 10 of this chapter fails to pay the full amount of the fee not later than sixty (60) days after the issuance of the bill for payment by the law enforcement agency, the person is subject to a penalty of ten percent (10%) of the fee owed.

**Sec. 16.** A person's liability for a fee under this chapter may be enforced by any legal remedy. The person on whom the fee was imposed under section 10 of this chapter is subject to all costs of the proceeding, including attorney's fees, court costs, and penalties.

SECTION 2. IC 9-26-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 7.5.** An accident investigation performed in accordance with this chapter by a law enforcement officer is subject to a fee under IC 5-2-14.

SECTION 3. IC 9-26-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 2. (a)** A law enforcement officer shall forward a written report of each accident investigated under

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section 1 of this chapter to the state police department within twenty-four (24) hours after completing the investigation. The report must contain, if possible, the following information:

- (1) The name and address of the owner and operator of each vehicle involved in the accident.
- (2) The license number and description of each vehicle involved in the accident.
- (3) The time and place the accident occurred.
- (4) The name and address of each person injured or killed in the accident.
- (5) The name and address of each witness to the accident.

**(b) An accident investigation performed in accordance with this section is subject to a fee under IC 5-2-14.**

SECTION 4. IC 27-1-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The department may promulgate rules and regulations for any of the following enumerated purposes:

- (1) For the conduct of the work of the department.
- (2) Prescribing the methods and standards to be used in making the examinations and prescribing the forms of reports of the several insurance companies to which IC 27-1 is applicable.
- (3) Defining what is a safe or an unsafe manner and a safe or an unsafe condition for conducting business by any insurance company to which IC 27-1 is applicable.
- (4) For the establishment of safe and sound methods for the transaction of business by such insurance companies and for the purpose of safeguarding the interests of policyholders, creditors, and shareholders respecting the withdrawal or payment of funds by any life insurance company in times of emergency. Any rule or regulation promulgated under this subdivision may apply to one (1) or more insurance companies as the department may determine.
- (5) For the administration and termination of the affairs of any such insurance company which is in involuntary liquidation or whose business and property have been taken possession of by the department for the purpose of rehabilitation, liquidation, conservation, or dissolution under IC 27-1.
- (6) For the regulation of the solicitation or use of proxies, in general and as they concern consents or authorizations, in respect of securities issued by any domestic stock company for the purpose of protecting investors by prescribing the form of proxies, including such consents or authorizations, and by requiring

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adequate disclosure of information relevant to such proxies, including such consents or authorizations, and relevant to the business to be transacted at any meeting of shareholders with respect to which such proxies, including such consents or authorizations, may be used, which regulations may, in general, conform to those prescribed by the National Association of Insurance Commissioners.

(b) The department may adopt a rule under IC 4-22-2 to provide reasonable simplification of the terms and coverage of individual and group Medicare supplement accident and sickness insurance policies and individual and group Medicare supplement subscriber contracts in order to facilitate public understanding and comparison and to eliminate provisions contained in those policies or contracts which may be misleading or confusing in connection either with the purchase of those coverages or with the settlement of claims and to provide for full disclosure in the sale of those coverages.

**(c) The department shall adopt rules under IC 4-22-2 under which the department shall do the following:**

**(1) Determine whether information:**

**(A) provided to a law enforcement officer preparing an accident report under IC 9-26; and**

**(B) reported to the department by a law enforcement agency under IC 5-2-14;**

**is accurate.**

**(2) Provide to each law enforcement agency submitting a report under IC 5-2-14:**

**(A) a listing of insurers accurately reported and eligible for billing under IC 5-2-14-8;**

**(B) the actual vehicle insurer eligible for billing under IC 5-2-14-8, if incorrect information about the identity of an insurer has been provided under IC 9-26 and accurate information regarding the insurer can be determined by the department; and**

**(C) driver and vehicle information collected under IC 9-26 for which the insurance information cannot be confirmed by the department;**

**on a timely basis after the department receives a report submitted under IC 5-2-14.**

**(3) Prescribe forms considered necessary under this subsection.**

**(d) The department shall cooperate with the bureau of motor vehicles and the superintendent of the state police when**

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1 establishing rules and procedures under this subsection.

2 SECTION 5. [EFFECTIVE UPON PASSAGE] Notwithstanding  
3 IC 5-2-14, as added by this act, the establishment of:

4 (1) the state law enforcement supplemental account or a law  
5 enforcement supplemental fund; and

6 (2) procedures governing the account or a fund described in  
7 subdivision (1);

8 is not effective before January 1, 2005.

9 SECTION 6. [EFFECTIVE UPON PASSAGE] (a)  
10 Notwithstanding IC 27-1-3-7, as amended by this act, the  
11 department of insurance shall carry out the duties imposed under  
12 IC 27-1-3-7, as amended by this act, under interim written  
13 guidelines approved by the insurance commissioner.

14 (b) This SECTION expires on the earlier of the following:

15 (1) The date rules are adopted under IC 27-1-3-7, as amended  
16 by this act.

17 (2) December 31, 2004.

18 SECTION 7. An emergency is declared for this act.

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